Testimony of Karen A. Studders Commissioner

Minnesota Pollution Control Agency

To the Subcommittee on Energy Policy, Natural Resources and Regulatory Affairs Government Reform Committee
U.S. House of Representatives

Hearing on Elevation of U.S. Environmental Protection Agency to Cabinet Status

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Mr. Chairman and members of the Subcommittee, thank you for the opportunity to appear before you once again to represent my state's position on important environmental issues.

My name is Karen A. Studders, and I was appointed the Commissioner of the Minnesota Pollution Control Agency by Governor Jesse Ventura in February 1999. Governor Ventura and I welcome the chance to provide Minnesota's perspective on the U.S. Environmental Protection Agency (EPA) elevation to cabinet status.

While I speak only for the State of Minnesota, my testimony also takes into account the position of ECOS, the Environmental Council of the States, a body of which I am secretary-treasurer. The Environmental Council of the States (ECOS) exists to improve the environment through collaboration among state environmental commissioners. ECOS champions the role of states in environmental management; provides for the exchange of ideas, views and experiences among states; fosters cooperation and coordination in environmental management; and articulates state positions to federal agencies and others on environmental issues. In August 2001, ECOS passed a resolution supporting the elevation of EPA to cabinet status.

The State of Minnesota has strongly and consistently supported the elevation of the U.S EPA to cabinet-level status. I continue in this Minnesota tradition today, because I believe that it is more important than ever before that environmental protection is factored into decisions made in the highest councils of the United States.

The four areas that I would like to discuss today are:

- How a Department of the Environment at cabinet-level would improve the
 department's ability to work laterally with other cabinet members on "second
 wave" environmental issues involving transportation, energy and agriculture.
- Why pollution issues that cross state, regional, national and international boundaries require a department with access to policy decisions at the cabinet level.

- Why states, the primary implementers of environmental policy, need a cabinetlevel department to provide the leadership we need to do our jobs and bring our innovative ideas to the nation.
- Why it is important to enact a clean bill one that retains the focus on achieving a Department of the Environment.

I have spent my career working in environmental protection, as a research chemist for the EPA in Duluth, Minnesota; an environmental manager for a large multi-state utility, Reliant Energy; and the commissioner of the Minnesota Pollution Control Agency. These varied experiences have provided me with ample opportunities to observe the important interlocking connections among federal, state and local agencies – what works and what doesn't. It is from these experiences that I speak to you today.

'Second-wave' environmental problems require cabinet-level strategies and communications.

After more than three years as commissioner of the Minnesota Pollution Control Agency, it is clear to me that state regulatory agencies are facing environmental problems dramatically different from those we faced in the '70s, '80s and '90s. The U.S. Congress passed laws such as the Clean Air Act, Clean Water Act, and Resource Conservation and Recovery Act to deal with end-of-pipe emissions from discrete point sources. Traditional regulatory approaches – environmental protection's first wave strategies – met with hard-won, substantial success in controlling pollution from point sources.

Today, the greatest threats to the environment in Minnesota are not from factories and facilities, but from widely disseminated pollution arising from transportation, energy consumption, agriculture and urban sprawl, among others.

In Minnesota, 57 percent of toxic air pollutants comes from mobile sources such as automobiles, and 43 percent from business or industrial sources. In the U.S. as a whole, 50 percent of toxic air pollutants come from mobile sources. ("Air Quality in Minnesota: Problems and Approaches" report to the Minnesota Legislature,

http://www.pca.state.mn.us/hot/legislature/reports/2001/airquality.html.)

- Industries and municipalities in our state are responsible for only 14 percent of water pollutants, while nonpoint sources such as urban and agricultural runoff account for 86 percent of Minnesota's water pollution. ("Minnesota 2001 2005 Nonpoint Source Management Program Plan," http://www.pca.state.mn.us/water/nonpoint/mplan.html.)
- Approximately 75 percent of Minnesota's electrical power is supplied by coalfired power plants, which generate sulfur dioxide, nitrogen oxides, organic compounds, greenhouse gases, particulates and mercury. ("Minnesota Energy

Planning Report," http://www.commerce.state.mn.us/pages/Energy/MainEnergyPolicy.htm)

We realized a few years ago that these complex problems could not be controlled out of existence. We needed new strategies, what I call the "second wave of environmental protection", which relies upon partnerships, innovation and public stewardship.

As a member of Governor Ventura's cabinet, I have the latitude to work directly with my fellow commissioners in the state departments of Transportation, Agriculture, Commerce, Health and Natural Resources. Other states also prefer the environment to be represented at cabinet level. While eleven states have no formal cabinet system, the remaining 39 states do, and 34 have placed environmental protection at the cabinet level. By sitting at the table with the top managers of other agencies, Minnesota has achieved some remarkable progress:

- The Minnesota Pollution Control Agency's involvement in developing the Minnesota Department of Transportation's five-year strategic plan helped our state make certain that transportation improvements reduce pollution rather than exacerbate already existing environmental impacts. Minnesota is in attainment and wants to maintain that status. ("Moving Minnesota: Minnesota Statewide Transportation Plan, January 2000," http://www.oim.dot.state.mn.us/PDPA/2000PDF/moving_minnesota.pdf.)
- A 10-year state energy plan prepared by the Minnesota Department of Commerce included an entire appendix focused on the environmental impacts of energy policy, because the Minnesota Pollution Control Agency sat down at the table with state energy experts. ("Minnesota Energy Planning Report," http://www.commerce.state.mn.us/pages/Energy/MainEnergyPolicy.htm.).
- The September 11 attack on America brought leaders in several of Minnesota's state agencies together to develop coordinated emergency response planning for potential nuclear accidents, bioterrorism or impacts of future attacks. (Environmental emergency response plans for Minnesota, http://www.pca.state.mn.us/cleanup/ert.html#response.)
- These lateral partnerships involve big achievements and small. A small example with big outcomes involves the scientific discussion among Minnesota Pollution Control Agency staff working on the reduction of listed metals in products and Minnesota Department of Transportation staff evaluating highway-striping paint. This lateral communication resulted in discontinued use of paints containing lead and hexavalent chromium. This decision-making process will eliminate more than 70,000 pounds of lead and 17,000 pounds of chromium previously applied to Minnesota roads each year. (Listed Metals Program achievements, http://www.pca.state.mn.us/waste/listedmetals.html#conclusion.)

I personally attest to the value of working laterally and having a seat at the table. I know that without my involvement at the highest levels of state government, the Minnesota Pollution Control Agency could not have made certain that transportation, energy and agriculture policies factor in environmental considerations.

The EPA could forge more productive partnerships and strategies with cabinet members if the department had a permanent place at the table. EPA's current administrator, Governor Christie Whitman, enjoys the support and confidence of President Bush, as she has testified. (EPA Administrator Gov. Christie Whitman's Testimony before the U.S. Senate Committee on Governmental Affairs, http://yosemitel.epa.gov/administrator/speeches.nsf/blab9f485b098972852562e7004/dc686/d25aa89b86d7ac2785256a9b006c1c04?OpenDocument.) This is encouraging, but is not the same as having a law that affirms that the environment be considered in cabinet-level decisions in every administration.

1 Department of the Environment provides clout for dealing with pollution crossing state, national and international boundaries.

Just as today's pollution problems require new national strategies, they also require strong, cooperative relationships among local, state, tribal and international environmental officials. As the Commissioner from a state that shares a border with Canada, shares the coastline of the largest and cleanest of the Great Lakes, and works strategically with other bordering EPA Region V states, I know how important authority and credibility are to developing and maintaining these relationships. Without cabinet-level status, I believe that the EPA lacks sufficient clout to make sure U.S. environmental policies are well represented in interstate and international forums.

My experience in Minnesota shows just how important this national presence can be:

• As a member of the Mississippi River/Gulf of Mexico Watershed Nutrient Task Force, I'm working with other states to mitigate the water quality impacts of nutrients – on my state's lakes and streams and on the "dead zone" of hypoxia in the Gulf of Mexico. The best estimates say that 7 – 9 percent of the nutrients affecting the Gulf originate in Minnesota. I can tackle nutrient-reduction with local partners. However, I have no authority to deal with nutrients coming from bordering states or countries. The Department of the Environment could lead the charge on interstate environmental problems of this magnitude – with the full force of cabinet-level status. (Information about the Mississippi River/Gulf of Mexico Watershed Nutrient Task Force, http://www.epa.gov/msbasin/hypoxia.htm.)

- Minnesota has developed productive relationships with Environment Canada, relative to environmental problems on our shared border. We have worked jointly on issues such as:
 - 1. toxics reduction in Lake Superior,
 - 2. airborne mercury deposition from Canadian power plants into Minnesota's lakes,
 - 3. large animal feedlot proposals,
 - 4. transforming the Rainy River from a river clogged with foam and sludge to a high-use resource, providing excellent habitat for fish, and
 - 5. flood-damage reduction projects to reduce sediment loading of Canada's Lake Winnipeg from Red River runoff.

However, a cabinet-level Department of the Environment could bring greater clout to bear in negotiations where progress is slow or stalled.

• In 2001, I was honored to represent Minnesota at The Hague in the Netherlands during discussions about global climate change and implementing the Kyoto Protocol. Cabinet-level environmental ministers from countries across the globe were represented at the bargaining table. EPA, our nation's most knowledgeable voice on global climate change, was not there as an equal, as the State Department represents the U.S. in these negotiations.

In these times, global interdependencies are more crucial than ever before. A strong U.S. presence at such international forums, in the form of a U.S. Secretary of the Environment, would assure that our national interests were represented and that we could work authoritatively with our international partners on environmental problems that transcend all state and national boundaries. Indeed, the U.S. is the only developed nation of the world that does not have a cabinet level department of the environment.

2. State agencies that implement environmental programs seek strong environmental leadership and better synergy between state and federal policy. At the national level, Minnesota wants a Department of the Environment with the

same access as other cabinet-level agencies to ensure that states' can effectively implement the law. States have demonstrated our effectiveness at implementing national environmental laws and policy. Minnesota puts environmental indicators on the Governor's Web site to show our progress in protecting air, water and land. (Environmental indicators for the state of Minnesota, http://www.departmentresults.state.mn.us.)

Research by the Environmental Council of the States shows that:

- In fiscal year 2000, states spent \$13.6 billion on environmental and natural resource protection nearly double the entire budget of EPA.
- Delegation of federal programs to the states has grown from approximately 40 percent in 1993 to nearly 80 percent in 2001.
- States conduct at least 90 percent of environmental enforcement actions.
- Innovative strategies for environmental protection thrive at the state level, producing such "win-win" strategies as brownfield redevelopment, voluntary reduction initiatives, and expedited permitting, among others.

So why do states care whether a Department of the Environment has cabinet-level status? And make no mistake, we do care. We care because we need environmental leadership at the highest level to provide us with the guidance we need to do our jobs. In an August 2001 resolution, the Environmental Council of the States supported elevating EPA to cabinet status. (Environmental Council of the States resolution on elevating EPA to cabinet level is at

http://www.sso.org/ecos/policy/resolutions/Resolution%2001-10.pdf.)

For example, the Bush Administration energy proposals initially focused on development of new sources and reducing regulatory barriers. The Minnesota Department of Commerce in its new 10-year planning report focuses on energy conservation, new fuels and technology, and increased attention to significantly reducing power-plant emissions. With a Department of the Environment at cabinet-level, informing states of federal approaches and bringing feedback to the Administration, crucial plans such as these might mesh more effectively, creating a powerful synergy.

A cabinet-level EPA could bring big national policy initiatives to us, so that federal decisions could shape and be shaped by state experiences. And while the states share successful strategies with one another through ECOS and other communication, a cabinet-level EPA could bring those successes with transferable elements more forcefully onto the national stage.

4. A clean bill, or no bill?

In summation, Minnesota strongly supports establishing a cabinet-level Department of the Environment because:

- Second-wave environmental protection requires cabinet-level strategies and communications.
- A Department of the Environment provides clout for solving pollution problems that cross state, national or international boundaries.

• State agencies that implement environmental programs seek strong environmental leadership and better synergy between state and federal policy.

Our support comes with one cautionary note.

As far back as 1988, Minnesota Senator David Durenberger was a powerful proponent of elevating EPA to cabinet status. Yet this desired outcome still hasn't been achieved years later. Bills proposing the change become cluttered with language reflecting other agendas and interests – and fail because of controversial provisions.

As this subcommittee evaluates bills to create a cabinet-level Department of the Environment, Minnesota urges you to focus on the main goal – a clean and straightforward bill that gets the job done. It is a fortunate time to pass such legislation. President Bush has indicated willingness to sign a clean bill. EPA administrator Governor Whitman has the President's confidence and support. Colleagues in other states to whom I have spoken think, as I do, that the easiest and fastest way to make this happen is through a clean bill.

The time is right to support a cabinet-level Department of the Environment and ensure that the nation's achievements include healthy and clean air, clean and clear water and uncontaminated land.

Thank you for inviting me to provide Minnesota's perspective, and I welcome any questions you may have.

Selected References and Web Sites

- "Air Quality in Minnesota: Problems and Approaches" report to the Minnesota Legislature, http://www.pca.state.mn.us/hot/legislature/reports/2001/airquality.html.
- "Minnesota 2001 2005 Nonpoint Source Management Program Plan," http://www.pca.state.mn.us/water/nonpoint/mplan.html.
- "Minnesota Energy Planning Report," http://www.commerce.state.mn.us/pages/Energy/MainEnergyPolicy.htm.
- "Moving Minnesota: Minnesota Statewide Transportation Plan, January 2000," http://www.oim.dot.state.mn.us/PDPA/2000PDF/moving_minnesota.pdf.
- Environmental emergency response plans for Minnesota, http://www.pca.state.mn.us/cleanup/ert.html#response.
- Listed Metals Program achievements, http://www.pca.state.mn.us/waste/listedmetals.html#conclusion.
- EPA Administrator Gov. Christie Whitman's Testimony before the U.S. Senate Committee on Governmental Affairs,

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- Information about the Mississippi River/Gulf of Mexico Watershed Nutrient Task Force, http://www.epa.gov/msbasin/hypoxia.htm.
- Environmental indicators for the state of Minnesota, http://www.departmentresults.state.mn.us.
- Environmental Council of the States (ECOS) resolution on elevating EPA to cabinet level is at http://www.sso.org/ecos/policy/resolutions/Resolution%2001-10.pdf.
- The Minnesota Pollution Control Agency's Web site is http://www.pca.state.mn.us.